

AMENDED IN SENATE JUNE 17, 2010

AMENDED IN ASSEMBLY JUNE 1, 2010

CALIFORNIA LEGISLATURE—2009–10 REGULAR SESSION

## ASSEMBLY BILL

**No. 2669**

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**Introduced by Assembly Member V. Manuel Pérez**

February 19, 2010

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~~An act to add Section 83002.2 to the Water Code, relating to water.~~  
*An act to amend Section 116761.23 of the Health and Safety Code, relating to drinking water.*

### LEGISLATIVE COUNSEL'S DIGEST

AB 2669, as amended, V. Manuel Pérez. ~~The Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006: integrated regional water management plans: pilot program: disadvantaged communities.—Safe Drinking Water State Revolving Fund: planning and construction grants.~~

*Existing law, the California Safe Drinking Water Act, requires the State Department of Public Health to administer provisions relating to the regulation of drinking water to protect public health, including, but not limited to, conducting research, studies, and demonstration programs relating to the provision of a dependable, safe supply of drinking water; enforcing the federal Safe Drinking Water Act, adoption of enforcement regulations, and conducting studies and investigations to assess the quality of water in domestic water supplies.*

*Existing law establishes the Safe Drinking Water State Revolving Fund, which is continuously appropriated to the department for the provision of grants and revolving fund loans to provide for the design*

*and construction of projects for public water systems that will enable suppliers to meet safe drinking water standards.*

*Under existing law, the funding for grants for planning, engineering studies, environmental documentation, and design of a single project is set at a maximum of \$500,000. Existing law requires total funding for planning, engineering studies, project design, and construction costs of a single project, whether in the form of a grant, a loan, or both, to be determined by an assessment of affordability using criteria established by the department.*

*This bill would add environmental documentation to the costs of a single project that the department is required to determine by an assessment of affordability.*

~~The Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 (Proposition 84), an initiative measure approved by the voters at the November 7, 2006, statewide general election, authorizes the issuance of bonds in the amount of \$5,388,000,000 for the purpose of financing a safe drinking water, water quality and supply, flood control, and resource protection program. Of those funds, \$1,000,000,000 is available to the Department of Water Resources, upon appropriation by the Legislature for that purpose, for grants for projects that assist local public agencies to meet the long-term water needs of the state, including the delivery of safe drinking water and the protection of water quality and the environment. Existing law appropriates \$181,971,000 of that bond money to the department for integrated regional water management activities.~~

~~Of the \$181,971,000 appropriated to the department, existing law allocates \$22,091,000 for integrated regional water management projects with interregional or statewide benefits.~~

~~This bill would express the intent of the Legislature to encourage the department, if it elects to expend the moneys appropriated for integrated regional water management projects with interregional or statewide benefits to implement a pilot program for disadvantaged community assistance, to require a recipient of funds under the pilot program to (1) comply with a prescribed community engagement process, (2) give consideration to organizations with relevant experience, as specified, for purposes of contracting or subcontracting services to complete pilot program requirements, or (3) consider specified methods to provide cost savings for high-priority water-related problems affecting disadvantaged communities.~~

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1     SECTION 1. Section 116761.23 of the Health and Safety Code  
2     is amended to read:

3     116761.23. (a) The maximum amount of a planning grant  
4     permitted under this chapter for each participating public water  
5     system's share of the costs of the planning, engineering studies,  
6     environmental documentation, and design of a single project shall  
7     be no more than five hundred thousand dollars (\$500,000).

8     (b) Unless the department approves an increase pursuant to this  
9     subdivision, the maximum amount of a construction grant award  
10    authorized under this chapter to each participating public water  
11    system for its share of the cost of the construction of a single  
12    project shall be no more than three million dollars (\$3,000,000).  
13    The department may approve an increase in the maximum amount  
14    for a construction grant award authorized under this chapter so  
15    that the maximum amount of the construction grant award does  
16    not exceed ten million dollars (\$10,000,000) only if the department  
17    makes all of the following findings:

18    (1) A public water system that serves a disadvantaged  
19    community has a defined project need that exceeds the maximum  
20    grant amount of three million dollars (\$3,000,000).

21    (2) The defined project has been bypassed in at least one funding  
22    cycle due to a lack of funds.

23    (3) The defined project is eligible for funding pursuant to the  
24    program regulations.

25    (4) The defined project represents the highest public health risk  
26    among unfunded projects, as determined by the department  
27    according to its standard criteria.

28    (c) Total funding under this article for planning, engineering  
29    studies, *environmental documentation*, project design, and  
30    construction costs of a single project, whether in the form of a loan  
31    or a grant, or both, shall be determined by an assessment of  
32    affordability using criteria established by the department.

33    ~~SECTION 1. Section 83002.2 is added to the Water Code, to~~  
34    ~~read:~~

1     83002.2. ~~If the department elects to expend any of the funds~~  
2 ~~described in clause (iii) of subparagraph (A) of paragraph (3) of~~  
3 ~~subdivision (b) of Section 83002 to implement a pilot program for~~  
4 ~~disadvantaged community assistance, it is the intent of the~~  
5 ~~Legislature to encourage the department to require a recipient of~~  
6 ~~funds under the pilot program to do any of the following:~~

7     ~~(a) Implement a community engagement process that includes~~  
8 ~~consultation with appropriate stakeholders, including, but not~~  
9 ~~limited to, the county in which the project is located, local~~  
10 ~~environmental health departments, tribes with existing or ancestral~~  
11 ~~land within or adjacent to the region's boundaries,~~  
12 ~~community-based organizations, and representatives of~~  
13 ~~disadvantaged communities, and other appropriate entities with~~  
14 ~~experience or interest in drinking water and wastewater~~  
15 ~~infrastructure and other water-related issues affecting~~  
16 ~~disadvantaged communities.~~

17     ~~(b) For purposes of contracting or subcontracting services to~~  
18 ~~complete pilot program requirements, give consideration to~~  
19 ~~nonprofit organizations or other organizations with relevant~~  
20 ~~experience in the region in which the project is located.~~

21     ~~(c) Consider methods that provide cost savings for high-priority~~  
22 ~~water-related problems affecting disadvantaged communities,~~  
23 ~~including consolidation of community water systems, wastewater~~  
24 ~~systems, and flood systems, and steps to implement consolidation~~  
25 ~~of those systems, where appropriate and feasible.~~